



Foreign Agricultural Service

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Product Brief

Taiwan Pet Food Market

Report Highlights:

The imported pet food market in Taiwan grew from \$32 million in 1993 to \$43 million in 1999. Industry sources indicate that imported pet food maintains a market share of 75%. Taiwan pet food imports are expected to grow moderately over the next few years. Average (1996-1999) imports from the United States were \$16.5 million.

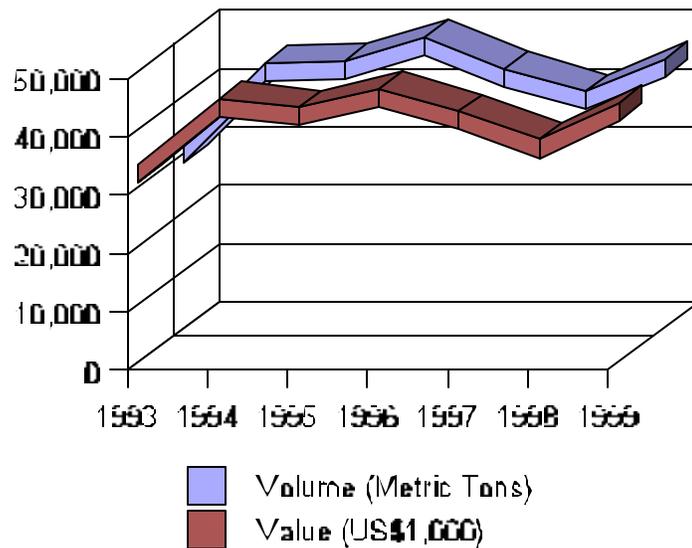
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Taipei ATO [TW2], TW

I. Market Overview

The imported pet food market in Taiwan grew from \$32 million in 1993 to \$43 million in 1999. The growth in the Taiwan pet food market can be attributed mainly to a change in attitude toward animals as pets and a subsequent shift from feeding table scrapes to stray animals to serving pet food to well cared for pets. With rising incomes and strong western influences, dogs are now a symbol of affluence rather than a stew meat. Taiwan pet food imports are expected to grow moderately over the next few years.

Total Pet Food Imports Into Taiwan



Average (1996-1999) imports from the United States were \$16.5 million.

Official data on local production of pet food is not available. However, industry sources indicate that imported pet food maintains a market share of 75 percent, even though retail prices for imported pet foods are higher than locally produced pet food products. Currently, the estimated ratio of dog to cat food is 90:10. The ratio of dried to canned pet food is 55:45.

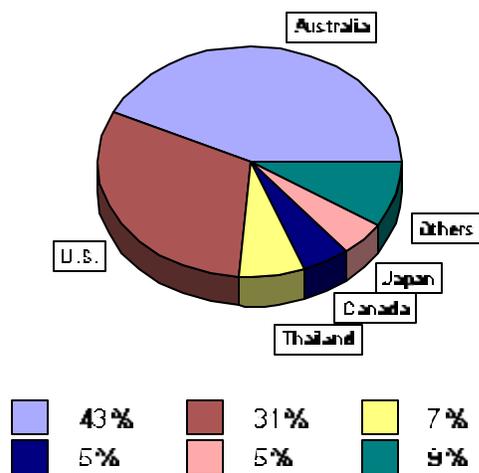
Advantage	Challenges
U.S. pet food brands are commonly viewed as being significantly higher in quality. Quality is the primary reason for pet owners willing to pay a higher price.	U.S. products are generally priced above the prices of other major imports.

II. Market Sector Opportunities

Trade and Competition

In 1999, Taiwan imported US\$43 million worth of pet food. Australia had the largest market share (43%), followed by the United States (31%), Thailand (7%), Canada (5%), and Japan (5%).

Imported Pet Foods



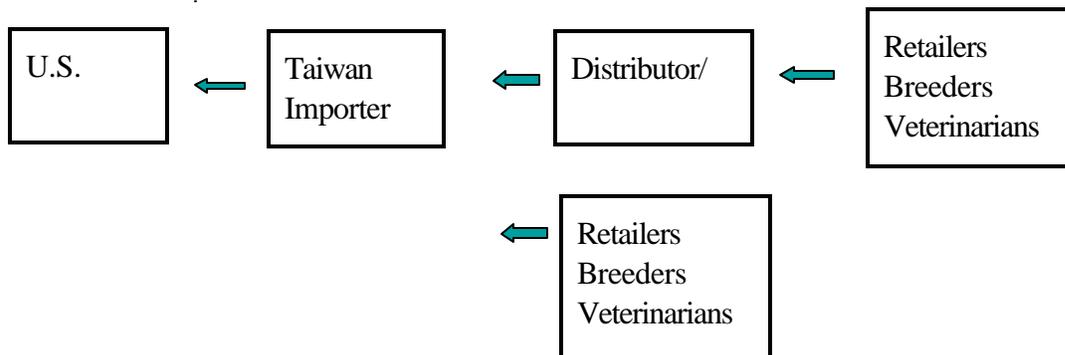
Major brands in the Taiwan market include: Pedigree (U.S., Australia,

Thailand), Tuffy's (US), Chappi (Australia), 9Lives (US), Max (US), Whiskas (Australia), Iams (US), Good-O (Australia), Buddy (Australia), Petlife (Taiwan), Friskies (U.S., Australia), Science (US), Kirkland (US), Meaty T. (US), Harper's (US), Cesar (US), Natures (US), Jonny Cat (US), Chandler (Australia), and Kozy Kitty (Canada), Fwusow (local), Pro.S.Choice (local).

According to the Council of Agriculture (COA), Taiwan currently has 2.77 million dogs, of which 660,000 are strays. Official data for cat ownership is not available. It is estimated that Taiwan has approximately 300 pet stores, not including street vendors. In addition, there are over 2,000 pet clinics and a growing number of pet beauty parlors.

Distribution Channels

Pet food is sold in pet shops, pet clinics, as well as supermarkets/hypermarkets, and department stores with a pet food corner. Larger pet food importers with significant market shares simultaneously employ dual channels of distribution. The first channel is to sell to a distributor, who in turn sells directly to the various retail outlets, breeders, and veterinarians. The second channel is for the importer to sell directly to larger retail outlets and breeders. As competition among Taiwan's supermarkets, hypermarkets, and convenience stores has become tougher, the current tendency is to increase the volume of direct imports to avoid the higher cost of products purchased from importers and local manufacturers. U.S. suppliers should contact the ATO for a list of retail stores.



III. Costs and Prices

There are no quotas in effect for pet food imports. Pet food is listed under Harmonized System Code 2309.10.00.00.2 for "Dog or cat food, put up for retail sale." The import tariff for this code is 5%, on a CIF basis, ad valorem. Imports for this classification are subject to random inspection upon entry by Taiwan authorities. There are also several miscellaneous fees, as listed below:

Harbor construction fee	0.3% of CIF value (sea shipments only)
Trade promotion fee	0.0425% of CIF value
Customs clearance fee per shipment	NT\$3,500 (Approximately US\$114)

Price Comparison in Supermarkets: Locally Produced Versus Imports

Dog Food

Brand	Size	Price	Origin
Friskies	1.5 kilograms	NT\$109 (US\$3.6)	Imported
Pedigree	3.5 kilograms	NT\$227 (US\$7.4)	Imported
No Frills	2 kilograms	NT\$99 (US\$3.2)	Local
Petlife	2 kilograms	NT\$119 (US\$3.9)	Local

Cat Food

Brand	Size	Price	Origin
Jonny Cat	4 kilograms	NT\$199 (US\$6.5)	Imported
Friskies	1.5 kilograms	NT\$149 (US\$4.9)	Imported
Kozy Kitty	10 kilograms	NT\$399 (US\$13.1)	Imported
Chandler	5 kilograms	NT\$95 (US\$3.1)	Imported

IV. Market Access

Labeling Requirements

According to Taiwan's Feeds Control Act, which was promulgated in 1973 and amended in 1986, feed or feed additives, without containing veterinary pharmaceuticals, must specify on the package or container, in Chinese characters, the following information prior to sale:

- Name and address of the manufacturer or the seller
- Classification, category, and name of the product
- Composition
- Major ingredients
- Usage, dosage, and precautions in use
- Net weight
- Date (year/month/day) of manufacture, processing or repacking

- Date (year/month/day) of shelf life expiration
- Any other information which may be required by the Taiwan authorities for specific products

The Chinese label for animal and plant feed must be affixed prior to retail sale. Pet food is still allowed to clear Taiwan Custom without the Chinese label, provided that the label is affixed prior to entering the retail sales channel. There is a significant penalty for retail products sold without a Chinese label.

Feed or feed additives which contain veterinary pharmaceuticals should refer to the "Veterinary Drugs Control Act."

V. Key Contacts: Taiwan Importers

Effem Foods, Inc. Taiwan Branch
11F, 35, Lane 11, Guangfu N. Road
Taipei, Taiwan
Tel: (886-2) 2298-0393
Fax: (886-2) 2298-0243
e-mail: jonathan.chan@ap.ffmpeg.com

Fwusow Industry Co., Ltd.
45 Shatian Road, Shalu Jen
Taichung, Taiwan
Tel: (886-4) 636-2111
Fax: (886-4) 635-8566
fwusow@fwusow.com.tw
Website: <http://www.fwusaw.com.tw>

Tung Ying Industrial Co., Ltd.
6F, 283 Sung Chiang Road
Taipei, Taiwan
Tel: (886-2) 2500-7011
Fax: (886-2) 2502-0694

Pet United Marketing Services Co. Ltd.
403 Honan Road, Section 4
Taichung, Taiwan
Tel: (886-4) 252-8181
Fax: (886-4) 252-8080

Pedgroup Co., Ltd.
6, Lane 97 Wu Kung 1st Road
Wu-ku Hsiang, Taipei Hsien
Tel: (886-2) 2298-8122
Fax: (886-2) 2298-3752

Foremost Foods (Taiwan) Ltd.
10F, 180 Chunghsiao E. Rd. Section 4
Taipei, Taiwan
Tel: (886-2) 2711-8822
Fax: (886-2) 2773-3925

Appreciate Corporation
5F, 217 Fu Ho Road, Yungho
Taipei Hsien, Taiwan
Tel: (886-2) 8295-6850
Fax: (886-2) 8295-3639

Shin John Co., Ltd.
8F, 160 Min Chuan E. Road, Section 6
Taipei, Taiwan
Tel: (886-2) 2791-3547
Fax: (886-2) 2791-3562

President Enterprises Corp.
310 Chung Cheng Road
Yung-kang, Tainan Hsien
Taiwan
Tel: (886-6) 253-2121
Fax: (886-6) 253-2661

Chaoli Trading Co., Ltd.
4F, 7 Sanfu Street
Taipei, Taiwan
Tel: (886-2) 2935-4567
Fax: (886-2) 2934-1456

e-mail: cc.chang@mail.pec.com.tw
Internet: <http://www.pec.com.tw>
Website: <http://www.pec.com.tw>

Kingbird Textile Co., Ltd.
3F, 760 Pa-the Road, Section 4
Taipei, Taiwan
Tel: (886-2) 8787-0303
Fax: (886-2) 8787-1010
e-mail: kb5128@ms13.hinet.net
Internet: <http://www.kb.com.tw>

Benita Enterprise Co.
9F, 28 Lane 304 Hsinlung Road, Sec. 3
Taipei, Taiwan
Tel: (886-2) 2662-3010
Fax: (886-2) 2664-7013

Natural Pet Corporation
6F, 337 Pa-the Road, Section 4
Taipei, Taiwan
Tel: (886-2) 2662-1977
Fax: (886-2) 2664-2727

Young Li Trading Co., Ltd.
22 Alley 20, Lane 365, Futeh 1st Rd.
Shitze, Taipei, Taiwan
Tel: (886-2) 2693-3322
Fax: (886-2) 2693-3865

Chow Chu Distribution Co., Ltd.
4F, 338 Chungking N. Road, Sec. 3
Taipei, Taiwan
Tel: (886-2) 2592-4088
Fax: (886-2) 2591-8428

Everich Pet Food Co., Ltd.
22-3, Lane 30, Minhsiang Street
Chungho City, Taipei, Taiwan
Tel: (886-2) 2225-0878
Fax: (886-2) 2226-0767

Chee Da Industrial Co., Ltd.
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e-mail: allarriv@ms23.hinet.net

In supplying this list, no discrimination is intended and no degree of reliability is implied.

End Report

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